

RESOLUTION

WHEREAS, the City Manager is the Chief Administrative Officer of the City of El Paso and as such is responsible to the City Council for the administration of all City affairs placed in the City Manager's charge by or under the El Paso City Charter ("Charter");

WHEREAS, the Charter provides that City Manager shall direct and supervise the administration of all departments, offices and agencies of the City except as provided by the Charter or by law;

WHEREAS, the Charter provides that City Council may exercise the power to adopt any administrative code and establish, abolish, alter or combine any City department by adoption of an ordinance only;

WHEREAS, on August 24, 2010 the El Paso City Council adopted ordinance Number 017383 to amend Title 2 of the El Paso City Code (Administration and Personnel) to revise the structure of the City Manager's Office to create the internal audit function as well as other matters;

WHEREAS, the function of the internal auditor was established as a function of the City Manager's Office, shall be staffed by the City's Chief Internal Auditor ("Internal Auditor") and such other appropriate positions as are authorized by City Council; provided, however that the City Manager may assign duties to other departments and staff as she deems appropriate;

WHEREAS, the Internal Auditor and his designees shall perform such internal auditing functions relating to City operations as are needed and required by the City Manager and the City Council; and

WHEREAS, the City Council desires to create a Financial and Audit Oversight Committee for the purpose of providing legislative oversight of the function of the Internal Auditor; to review other financial policies of the City and to formulate recommendations for the City Council regarding City finances and other matters referred to the Financial and Audit Oversight Committee by the City Council; or which the City Manager presents to the committee for consideration.

NOW THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF EL PASO:

1. **Creation of Committee:** By adoption of this Resolution, the City Council has established the Financial and Audit Oversight Committee ("FAOC") which shall be comprised of the following:

- 4 members of City Council;
- Internal Auditor
- City Manager or her designee

The City Attorney's Office shall provide legal support services for the FAOC but shall not be a member of the committee.

Appointment of the four (4) City Council members to the FAOC shall be made by a majority vote of the entire City Council (including the Mayor). The initial FAOC shall be appointed no later than September 15, 2012. The term of membership for City Council members shall be for one (1) year, provided that all members will serve until such time as their replacement is appointed by City Council or their term of office ends, whichever occurs first.

2. Duties of the Committee: In addition to reviewing and making recommendations to the entire City Council regarding the financial affairs and policies of the City as either referred by the City Council or requested by the City Manager, the FAOC shall:

- Annually review the Internal Audit Charter of the City and recommend re-adoption or modification to the City Council, as may be necessary.
- Review the Annual Audit Plan recommended by the Internal Auditor and present it to City Council for review and approval.
- Meet quarterly to receive the Internal Auditor's Quarterly report.
- Convene meetings as required by the Internal Auditor to address issues that might arise between quarterly meetings.
- Keep the City Council apprised of internal audit findings.
- Review the results of the Quality Assurance and Improvement "Peer Review" conducted of the Internal Auditor functions every three (3) years.
- Review proposed City of El Paso Investment and Debt Policies before they are presented to City Council on an annual basis and make recommendations regarding same.
- Review City of El Paso's financial policies and procedures as requested by the City Manager or Chief Financial Officer.

3. Open Meetings: Meetings of the FAOC shall be open to the public and subject to the Open Meetings laws of the State of Texas.

ADOPTED the ____ day of August 2012.

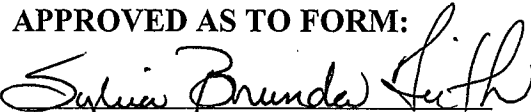
CITY OF EL PASO

John F. Cook
Mayor

ATTEST:

Richarda Duffy Momsen
City Clerk

APPROVED AS TO FORM:


Sylvia Borunda Firth
City Attorney

CITY CLERK DEPT.
2012 AUG 16 PM 12:30